

Hisato Imokawa
Chief Sustainability Officer
Japan Tobacco Inc.

1 April 2022

Ms. Akiko Sato
Business & Human Rights Resource Centre
Japan Researcher & Representative

Re: Your questions on human rights Due Diligence in Ukraine and Russia

Dear Ms. Akiko Sato,

Thank you for your letter requesting information relevant to the human rights Due Diligence in Ukraine and Russia, which we are very happy to respond to.

As a company, Japan Tobacco Inc. (JT) and all our subsidiaries, are unequivocally committed to respecting human rights and this commitment is placed firmly at the center of our sustainability strategy as an absolute requirement for all to follow. Furthermore, this commitment has been formalized through the JT Group Human Rights Policy which follows the UN Guiding Principles on Business and Human rights.

We have all been shocked to see the human tragedy unfolding in front of us. In Ukraine, where we employ about 1,000 people, the company is prioritizing the safety of our employees and their families. The JT Group is extending all possible support to affected people and has already committed significant resources towards humanitarian aid and continues to support many employee-led initiatives both locally and in the surrounding countries.

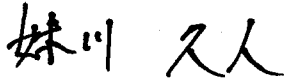
We have announced that effective immediately, our subsidiary, JTI, will suspend all new investments and marketing activities as well as the planned launch of its latest Heated Tobacco product Ploom X in Russia. The challenges of operating in Russia at this time are unprecedented and JTI needs some time to assess the long-term implications of the situation which all large international investors in Russia are currently facing. Unless the operating environment and geopolitical situation improve significantly, JTI cannot exclude the possibility of a suspension of its manufacturing operations in the country.

Russia is one of JTI's largest markets. JTI has four factories and employs close to 4,000 people in the country. JTI remains committed to its workforce and all employees will be retained for the foreseeable future.

We are fully committed to complying with all applicable national and international sanctions. We continue to closely monitor the situation.

We sincerely hope peace will return soon.

Sincerely,

Handwritten signature in black ink, consisting of the characters '妹川 久人' (Imokawa Hisato).

Hisato Imokawa
Chief Sustainability Officer
Japan Tobacco Inc.